

# Ljungberg Fritzoe AB's Supplier Code of Conduct

## General Principles

Ljungberg Fritzoe AB is committed to supporting human rights, safe and fair working conditions, and protecting the environment. To maximize positive impact and minimize negative impact from activities in our value chain, we cannot act alone – we need our suppliers' support. This Code of Conduct outlines the fundamental commitments that all Ljungberg Fritzoe's suppliers must adhere to and require from their own supply chains. The Code is based on established international conventions and declarations such as the UN Declaration of Human Rights, the ten core conventions of ILO, the Convention on the Rights of the Child, the Rio Declaration on Environment and Development, the Convention on Biological Diversity, and the Declaration on the Rights of Indigenous Peoples.

At the request of Ljungberg Fritzoe AB, the supplier must verify compliance with this Code of Conduct. Follow-up may include self-assessments, discussions with Ljungberg Fritzoe AB, and/or site visits to production facilities. Ljungberg Fritzoe AB will also request relevant documentation regarding the supplier and the origin, and production, of timber, to meet due diligence requirements under the European Union Deforestation Regulation (EUDR, 2023/1115). To ensure legally harvested timber, Ljungberg Fritzoe AB's due diligence procedure includes risk assessment and risk mitigation related to the supplier and timber production. Ljungberg Fritzoe AB are counting with our supplier's cooperation to fulfil our obligations under the EUDR.

If any violation of the Code of conduct is discovered, the supplier must immediately inform Ljungberg Fritzoe AB and develop an action plan to prevent potential risks or eliminate actual negative impacts. Actions must be taken within a reasonable time frame. Contract termination may be considered if the supplier shows unwillingness to correct the violations.

**1. Laws and Regulations**

- 1.1 National laws and regulations, as well as international conventions on social conditions, labour conditions, child labour, and environmental protection, must be followed.
- 1.2 The supplier must hold the relevant permits, licenses, and registrations required under applicable legislation to conduct their operations.
- 1.3 Where national laws and regulations cover the same areas as this Code of Conduct, the highest standard shall always apply.

**2. Secure Employment Conditions**

- 2.1 Obligations towards workers, in accordance with international conventions, national laws, and regulations, must not be circumvented through short-term employment (e.g., the use of contract or day labourers), subcontractors, or other employment arrangements.
- 2.2 Each employee must receive a written and legally binding employment contract in a language they understand, clearly stating the terms and conditions of employment.

**3. Forced and Penal Labour**

- 3.1 No form of forced labour, slavery, penal labour, or involuntary work may occur, in accordance with ILO core conventions 29 and 105.
- 3.2 Employees must not be required to surrender or deposit identification documents with an employer and must be free to leave their employment with reasonable notice.

**4. Child Labour**

- 4.1 The minimum age for employment shall not be under 15 years, and must comply with:
  - i) The national minimum age for employment, or
  - ii) The minimum age for compulsory education – whichever is higher. In cases where the minimum age is 14, in accordance with the exceptions under ILO Convention 138, this lower age may be accepted.
- 4.2 Recruitment of child labour in violation of the above minimum age requirements must not occur. Otherwise, young workers may be employed, provided that their education is not negatively affected, and that the child does not work overtime.
- 4.3 Children under 18 years old must not perform work that could harm their health, safety, or morals, including night work.
- 4.4 If violations of ILO Conventions 138 and 182 have occurred, phase-out measures must begin promptly. An action plan must be shared with relevant staff and stakeholders. Support programs must be arranged to ensure the child receives education until they are no longer subject to compulsory education.

## **5. Freedom of Association and Collective Bargaining**

- 5.1 Employees shall have the right, without discrimination, to join or form trade unions of their own choosing and to engage in collective bargaining, in accordance with ILO core conventions 87 and 98. Union representatives must not be discriminated against or prevented from carrying out their union duties.
- 5.2 Employers must not interfere with or oppose union organization or collective bargaining.
- 5.3 Where the right to free association and/or collective bargaining is limited by law, the employer shall facilitate and under no circumstances prevent alternative measures for free and independent organization and negotiation, within the legal framework.

## **6. Health, Work Environment, and Safety**

- 6.1 Measures must be taken to ensure workers a safe and healthy work environment in accordance with ILO Convention 155. Necessary steps must be taken to prevent and minimize accidents and health hazards related to working conditions. Preventive measures include fire safety routines and compliance with national or international regulations. Hazardous chemicals and other substances must be properly handled.
- 6.2 Employees must receive regular and documented health and safety training. Safety training must be repeated for newly hired and reassigned employees.
- 6.3 Workers must have access to clean sanitation facilities, safe drinking water, and safe food storage. If the employer provides housing, fire safety, security, and hygiene requirements must also apply to the housing.
- 6.4 Physical abuse or punishment and threats of physical abuse are prohibited. This also applies to sexual or other harassment and all forms of degrading or humiliating treatment.

## **7. Wages**

- 7.1 Wages for a standard workweek must comply with national minimum wages or industry standards, whichever is higher. Employees have the right to fair and satisfactory compensation that is, as far as possible, sufficient to meet their and their family's basic needs, including some savings.
- 7.2 Wage terms and conditions must be agreed upon in writing at the start of employment. The worker must understand the agreement. Wage deductions as a disciplinary measure are not allowed.
- 7.3 Employees must be covered by accident insurance that includes medical care for work-related injuries and compensation for disability caused by workplace accidents.

## **8. Working Hours**

- 8.1 Working hours must comply with national legislation or industry standards and not exceed the limits set in applicable international conventions. Normal weekly working hours should generally not exceed 48 hours.
- 8.2 Employees must have at least one day off every seven days.
- 8.3 Overtime must be limited, voluntary, and only used in exceptional cases. The recommended maximum overtime is 12 hours per week. Exceptions may be accepted if regulated by collective agreement or national law.
- 8.4 Employees must always receive overtime pay for work beyond normal hours (see section 8.1), at least in accordance with applicable laws.

## **9. Non-Discrimination**

- 9.1 All employees must be treated with respect and dignity.
- 9.2 There must be no discrimination in employment regarding hiring, wages, training, promotion, termination, or retirement based on ethnicity, religion, age, disability, gender, marital status, sexual orientation, union membership, or political affiliation, in accordance with ILO core conventions 100 and 111.
- 9.3 Systems must be in place to protect against sexual harassment, threats, offensive and degrading behavior, or actions involving exploitation, as well as against discrimination or unjustified dismissal for irrelevant reasons, such as marriage, pregnancy, parenthood, or a HIV-positive status.

## **10. Marginalized Population Groups**

- 10.1 The supplier must comply with the UN Declaration on the Rights of Indigenous Peoples.
- 10.2 Indigenous peoples' land and usage rights must be respected in the production and use of natural resources. These activities must not destroy the resources and income sources of indigenous communities – for example, by seizing large areas of land or irresponsible use of water and other natural resources essential to the population.
- 10.3 In cases of conflict with local communities over land and resource use, the parties must ensure respect for individual and collective rights based on traditions and customs, even if such rights are not formally registered, through negotiation.

**11. Environment and Climate**

- 11. 1 The supplier and upstream actors in the value chain must work systematically to reduce the product's impact on the environment and human health. The supplier is expected to have a written environmental policy or similar, appropriate for the size and nature of the business. The supplier is encouraged to adopt relevant environmental goals that are monitored, followed up, and communicated externally.
- 11. 2 This work may include, but is not limited to, sustainable use of resources, use of renewable electricity, prevention and proper handling of waste, and minimization of carbon emissions and pollution from production and transport.
- 11. 3 The local environment for raw material extraction and production sites must not be overexploited or degraded. If there is a threat of serious or irreversible environmental or health damage, action must be taken immediately, even in cases where full scientific proof is lacking, in line with the precautionary principle of the Rio Declaration.
- 11. 4 Chemicals used in production and raw material extraction must be minimized and handled in a way that reduces risks to the environment and human health.
- 11. 5. Biodiversity must be protected and promoted.
- 11. 6 National and international environmental laws and regulations must be respected, and relevant emission permits obtained.

**12. Sustainable Purchasing**

- 12. 1 The supplier must have procedures in place to ensure that raw material extraction for key product components is done responsibly and legally. Timber must be produced in line with the EU Deforestation Regulation (EUDR, 2023/1115).
- 12. 2 The supplier is encouraged to use forest certifications such as FSC® and PEFC.
- 12. 3 Ljungberg Fritzoe's Tree Species Policy must be respected. If sold goods contain tree species listed on the IUCN Red List or in CITES Appendices I, II, or III, or if the raw material originates from intact forest landscapes, Ljungberg Fritzoe must be notified without delay.
- 12. 4 When selecting subcontractors, the supplier must consider working conditions, respect for human rights, anti-corruption, and environmental aspects, including resource efficiency, carbon emissions, and biodiversity. The contents of this Code of Conduct must be communicated to all subcontractors in an appropriate language.
- 12. 5 Sold products must be safe to use for their intended purpose and comply with national or international laws regarding safety, quality, and documentation.

**13. Anti-Corruption**

- 13.1 All forms of corruption, in accordance with the UN Declaration against Corruption, are unacceptable.
- 13.2 The supplier is expected to have an established policy and procedures against corruption and bribery.
- 13.3 It is not permitted to give or receive bribes or use other methods to unfairly gain personal or work-related benefits with public officials, the judiciary, or private entities.
- 13.4 When dealing with subcontractors, consultants, and other intermediaries, procedures must be in place to ensure that corruption does not occur.

**14. Data Security**

- 14.1 Information is an important asset. Suppliers are expected to comply with applicable data protection legislation and implement recognized security standards.
- 14.2 Personal data from Ljungberg Fritzoe must be protected according to best practices, laws, regulations, and contractual obligations.
- 14.3 If a data breach occurs that affects or may affect Ljungberg Fritzoe or our customers, the supplier must inform Ljungberg Fritzoe immediately.

**15. Whistleblowing**

- 15.1 Suppliers are encouraged to provide a whistleblowing channel where employees can report irregularities anonymously.

Signed by Thomas Ljungman, CEO, Ljungberg Fritzoe AB

Name: Thomas Ljungman

Signature:.....

Role: CEO

Company: Ljungberg Fritzoe AB

Date:.....250416.....

By signing below, I confirm that I have read and understood Ljungberg Fritzoe AB's Code of Conduct and agree to comply with its terms.

By signing this Code of Conduct, I acknowledge and accept that Ljungberg Fritzoe AB reserves the right to verify compliance with its provisions, either directly or through an authorized third party.

Name.....

Signature.....

Role.....

Company.....

Date.....